

Education and Workforce Development Cabinet Report: More Than Half of 2006 College Graduates Are Employed in Kentucky Five Years Later

Press Release Date: Thursday, February 28, 2013

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Data shows value of education level and focus of study

FRANKFORT, Ky. (Feb. 28, 2013) — A new report from the Kentucky Center for Education and Workforce Statistics (KCEWS) shows that 61 percent of graduates from the state's public or independent postsecondary institutions in 2006 appear to be employed in Kentucky five years later.

"This information is important to policymakers because it provides a preliminary gauge for the return-on-investment for education programs, and it helps us understand how likely our college graduates are to remain in Kentucky after they finish their credentials," said Charles McGrew, executive director of KCEWS. "In addition, educators, parents and students can use the data to make more informed decisions about career choices and what they can expect in income from various degrees."

The Employment and Earnings of Kentucky's College Graduates: A Preliminary Report studied Kentucky college graduates and provides a comparison of employment rates and earnings for people who completed different levels of degrees and credentials, as well as for various academic majors. This report marks the first time that Kentucky has tracked actual graduates to employment data.

The data gathered illustrates that Kentucky students who complete higher levels of education are earning more money, McGrew said.

According to the report, median annual earnings in 2011 for the graduates who were employed in Kentucky ranged from \$23,117 for certificate earners to \$72,500 for those who completed a professional program.

The difference between median earnings for people who completed a bachelor's degree and those who completed an associate's degree or diploma was about \$4,000 per year. The gap in median earnings between people who earned a bachelor's degree and a master's degree was about \$12,000 per year.

The report indicates that 70 percent of in-state students who completed a credential were working in Kentucky five years later as opposed to 21 percent of out-of-state or non-resident students.

The report also shows that health/social services and education were the largest industries in Kentucky employing 2006 graduates after five years.

More than half of the people who completed a master's degree in 2006 in Kentucky work in education. McGrew said one of the reasons for this high number is that teachers are required to continue their education beyond a bachelor's degree to remain employed while most professions do not make that a requirement.

More than half of the people who completed a degree or certificate in 2006, and as much as 91 percent of those who completed a master's degree, are working in a primarily publicly funded sector, including education, health care or public administration, said McGrew. Roughly four out of five of people who completed a master's degree were working in Kentucky five years later.

"This is the first time that Kentucky's higher education institutions have received this type of information from an actual class of graduates over a five-year period, so it should prove very useful," said Kentucky Education and Workforce Development Cabinet Secretary Joseph U. Meyer. "For example, they can use it to pinpoint potential areas of growth at their schools or determine which degrees or certificates are not aligned to Kentucky's workforce needs."

For the report, KCEWS linked college and university records collected from the Kentucky Council on Postsecondary Education with the employment and earnings records reported to Kentucky's Office of Employment and Training through the Unemployment Insurance program. The data does not include people who work out of state, federal employees, the military and those who are self-employed.

"Kentucky is one of a fairly small number of states that can link education and employment data to provide outcomes such as these," McGrew said. "A small number of states are beginning to do this type of work but not enough to provide many good comparisons to Kentucky's data and there are no actual national figures for comparison for this level of detail."

KCEWS was created through an executive order in December 2012. It serves as an independent source that securely links data from early childhood, K-12, teacher certification, postsecondary, adult education, workforce and other sources to provide a broader understanding of the educational process as a seamless system. It will expand the work started by the Kentucky P-20 Data Collaborative and is attached to the Kentucky Education and Workforce Development Cabinet. KCEWS is a joint effort by the cabinet, the Kentucky Department of Education, the Council on Postsecondary Education and the Education Professional Standards Board.

To access the report, go to <http://kcews.ky.gov/SpecialReports.aspx>. For information about KCEWS and to view other reports and data, visit <http://KCEWS.ky.gov>.